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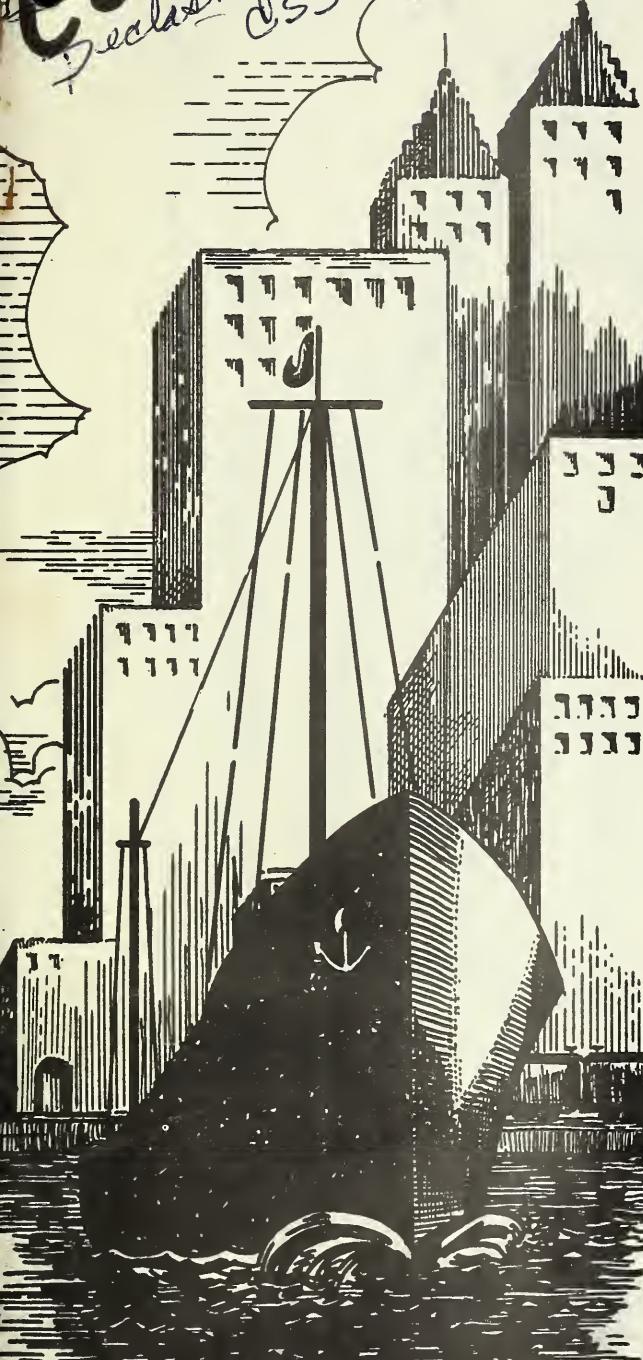
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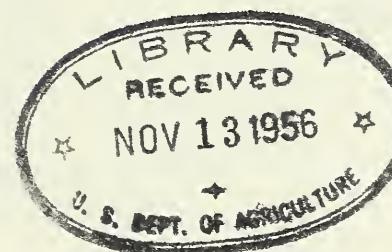
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PRODUCTION AND MARKETING ADMINISTRATION
SHIPPING AND STORAGE BRANCH

PROGRESS REPORT

AS OF
MAY 31, 1946



COVERS ONLY THOSE
COMMODITIES HANDLED BY
THE SHIPPING & STORAGE BRANCH

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FIELD OFFICES OF THE SHIPPING AND STORAGE BRANCH-P&MA



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MAY IN REVIEW

The Shipping and Storage Branch continued, with a low inventory, to meet the increased demand for world relief feeding. Branch shipping operations rose sharply in May in spite of strikes, port embargoes and other obstacles. 1/ Likewise, through improvements and refinements in procedure, the Branch continued to reduce operating costs.

Although commodity shipping commitments dropped slightly for May, net orders to programs more than doubled and reached the highest volume since January. The increase in net orders is indicative of the Branch's intensified efforts to move commodities to program. Bills of lading issued in May established the highest figure of any month this year. Shipments from vendors and warehouses increased over April by almost 50 percent. Liftings at ports likewise climbed. Car reconsignments rose somewhat but detentions beyond free time dropped.

Heavy emphasis continued on making shipments direct from vendor to shipside rather than through intermediate warehouses. In spite of the large increase over April in total vendor and warehouse shipments to port, this has resulted in 72 out of every 100 cars traveling direct from vendor to shipside. Direct shipments are reducing the need for warehousing facilities, are cutting handling and transportation charges, and lessening to a certain extent the danger of food spoilage. In the case of commodities requiring storage, the Northeast made two thirds of all shipments from warehouse to port while the Midwest made but a small percentage. The warehouse shipments reveal the planning resulting in

1/ Refer to the section of the report which itemizes these conditions.

storage of commodities closer to port than was the practice some months ago. This step has consolidated supplies and made it easier to meet ship-side delivery dates.

To meet May demands, the Program Operations Division required daily reports of all vendor availability from the field, arranged for immediate programming of commodities reported, and exerted continuous pressure for delivery. The Division devoted particular attention to flour, a primary relief food, through daily reports and meetings, including the daily meeting of the Conway Subcommittee on Grain. 1/ The Division also instituted programs to assure adequate flour supplies for state institutions and the War Shipping Administration. It likewise amplified operating relations with UNRRA. Agreement was made that when vessels were not available, quantities of less than 1,000 tons would be moved to UNRRA storage.

The Shipping Division engaged in a number of activities affecting operations during the month. It made a survey of running time for cattle shipments, by days and hours over the shortest available routes, from 42 shipping points to Newport News, Baltimore, Jersey City and New Orleans. Copies of the resulting schedule have gone to the Livestock Branch and our Field Offices. Personnel likewise maintained a careful control over livestock shipments which, including 15,000 head through Newport News, ran heavy during the month.

The Division effected numerous freight rate savings on shipments

1/ The Secretary of Agriculture set up a Subcommittee on Grain to meet daily and prepare for him a report of progress on the export programs for grain and grain products. Committee membership includes representatives of W.S.A., O.D.T., and U.S.D.A. The Chief or Associate Chief of Program Operations represents this Branch.

to various ports. An example was the saving of more than \$5800 by changing, from Mobile to Savannah, the port of exit for about 2,800,000 pounds of gum rosin. A freight classification guide has been compiled, approved, and submitted for the printing of about 200 copies. The guide will materially aid all persons preparing Government bills of lading. The Division has now forwarded to the San Francisco Office 12,852 records for use in preparing Certificates of Exportation. These certificates will make possible the obtaining of a refund and the application of export rates on transcontinental shipments. The reimbursement is expected to total three to four million dollars.

Refrigerator car loadings continued heavy in May. Indications are that increased loadings will cause a tight situation throughout the summer. Box car equipment remains short, particularly in the Pacific Northwest. Carriers there are experiencing great difficulty in supplying cars to meet port demands for shipment of grain and grain products.

Reconditioning and recovering activities fell 31 percent in May. Increased shipments direct from vendor to shipside and the consequent reduction in storage, rehandling and danger of food spoilage are in a large measure responsible for the decrease. Large drops in grain, fruit and vegetables, and special commodities by far offset an increase occurring in dairy and poultry activity. The bulk of the work occurred in the Northeast and Midwest. Reconditioning in other areas was slight. The South and Southwest, however, fumigated large quantities of grain products.

The Branch continued its policy of giving up those leased storage facilities acquired during the war which are now more expensive than

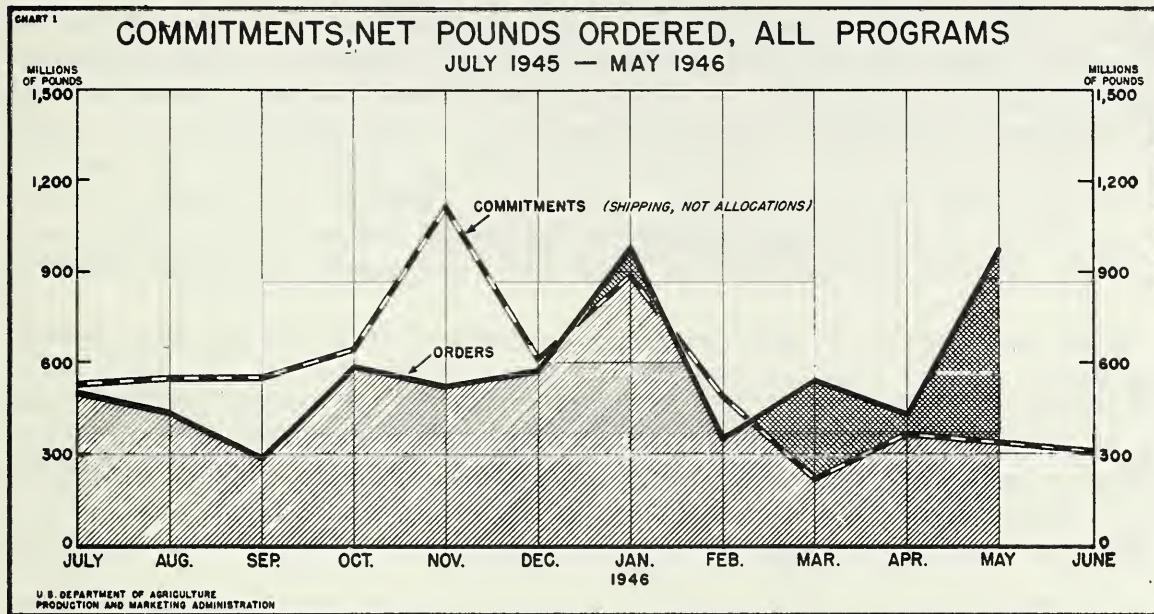
commercial storage. During May it closed Pier D at Weehawken, New Jersey with a saving of \$74,000 annual rental.

The Claims Division achieved another sharp reduction in the backlog of claims on hand. A 31 percent decrease brought the number down to 11,435 as of May 31. During the month the Division negotiated with the Chesapeake and Ohio, and Baltimore and Ohio railroads for a basis for settlement of livestock claims. An agreement is expected. The Division also discussed with the New York Central System a proposed settlement of claims arising from shortages occurring despite clear car seal records. Plans likewise took form for the establishment of a Document Analysis Section. This section will take charge of certain Branch files which are to be transferred to the Division, consolidated, and set up so as to eliminate all duplications and give a complete file on all movements.

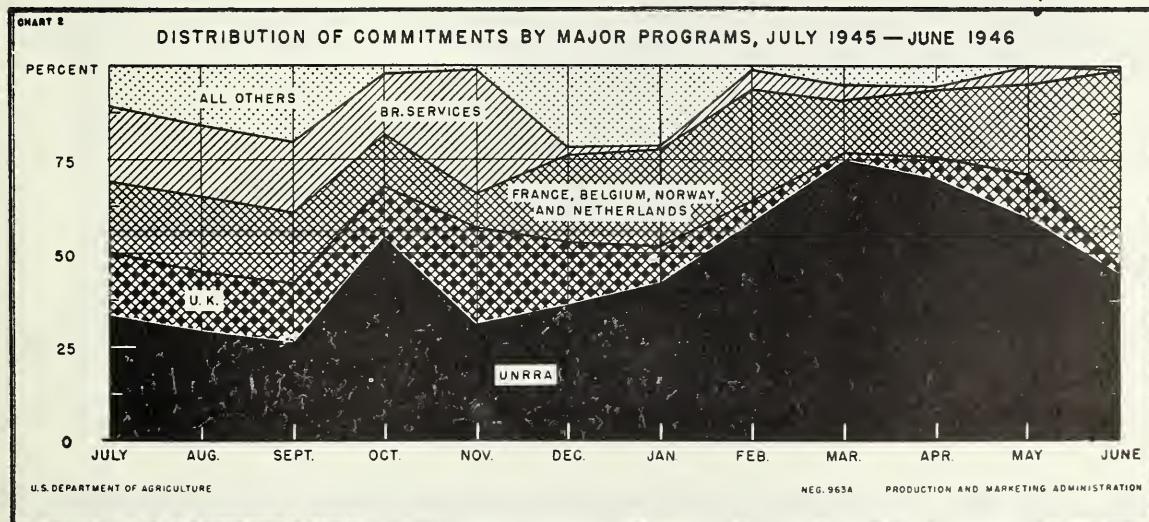
During May the Field Operations Division made arrangements with UNRRA to accelerate the documentation of consignments to UNRRA warehouses. The Division issued procedures covering the handling of Certificates of Exportation, and the reporting of bills of lading issued and tonnage distribution among carriers. It also put out a complete formal instruction on the livestock for UNRRA program.

SHIPPING COMMITMENTS

Program shipping commitments were approximately 28 million pounds less for June than for May. (See Chart 1.) The June total was also 60 million pounds less than the April sum, but was 90 million pounds in



excess of the March low of 216 million. There has been a general reduction in the volume of pounds committed during 1946. This trend has been due, to a large extent, to the insistence of this Branch that the



number of pounds committed for shipment to the various claimant programs be based upon more realistic estimates.

June commitments to the UNRRA program were 44 percent in contrast to 59 percent in May, 72 percent in April and 75 percent for March. (See Chart 2.) Commitments of the United Kingdom, which rose from 1 percent in March to 6 percent in April and 12 percent in May, declined to 2 percent for June. Those of the French, Belgian, Norwegian, and Netherlands programs amounted to 17 percent in March, 16 percent in April, and 24 percent in May and rose to approximately 53 percent for June, the bulk of which went to Belgium and France. Commitments of less than 1 percent were made to the British Services for June and 5 percent or less during the period March through May. Negligible allocations were made to all other programs during the last two months.

NET ORDERS TO PROGRAMS

Total net orders to all programs increased from 431 million pounds during April to 972 million pounds for May. (See Chart 1.) This is a net increase of 125 percent and the May total is in excess of every other month of the fiscal year except January which reached 980 million pounds. The sharp rise which occurred during the past month is indicative of the Branch's efforts to move commodities to programs and is especially significant in view of the decline in the supplies available for distribution.

The UNRRA program continues to receive the largest volume of orders. Approximately 59 percent of all orders placed in May were for this program compared with 69 percent in April and 46 percent in March. (See table below.) The total number of pounds ordered to the UNRRA program between

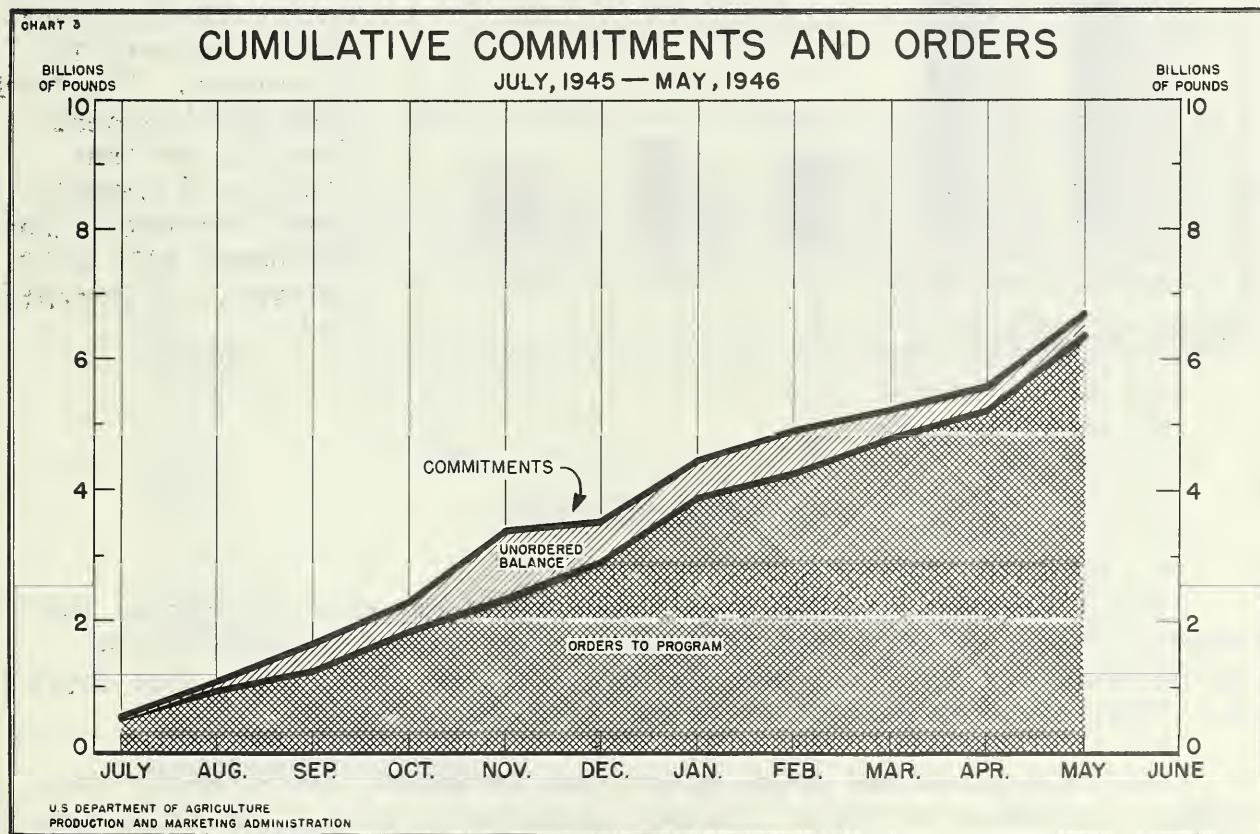
Percentage Distribution of Net Orders to Programs

	July 1945 - May 1946				
	UNRRA	United Kingdom	French, Belgium Norway, Netherlands	British Services	All Others
July 1945	26%	15%	14%	20%	25%
Aug.	35	12	16	22	15
Sept.	15	10	13	30	32
Oct.	28	5	15	49	3
Nov.	32	23	30	8	7
Dec.	38	21	23	6	12
Jan. 1946	52	14	14	2	18
Feb.	19	15	38	4	24
March	46	16	28	2	8
April	69	5	13	4	9
May	59	3	33	2	3

January 1 and May 31 reached 1.7 billion which is about 53 percent of the total. Orders for the United Kingdom decreased from 5 percent for April to 3 percent during May while those of the British Services declined from 4 percent to 2 percent. The average for the last five months was 10 percent for the United Kingdom and 2 percent for the British Services. Commodity orders for the French, Belgian, Norwegian,

and Netherlands programs rose from 57 million in April to 315 million pounds in May, a net rise of 453 percent. The average for the five-month period ending May 31 was 25 percent. Orders to all other programs totaled only 3 percent during the past month compared with 9 percent in April and 8 percent in March. The average was 11 percent for the first five months of 1946.

Total revised cumulative shipping commitments ^{1/} amounted to 3.5 billion pounds on December 31, 1945. Total cumulative orders were 2.9 billion pounds on the same date, yielding a difference of 600 million pounds. The differential at the end of January remained at 600 million but rose to 700 million at the end of February. It declined 200 million pounds in March and another 200 million during April. Commitments through May approximated 6.7 billion pounds and orders 6.4 billion. The unordered balance, therefore, was down to 300 million pounds. (See Chart 3.)

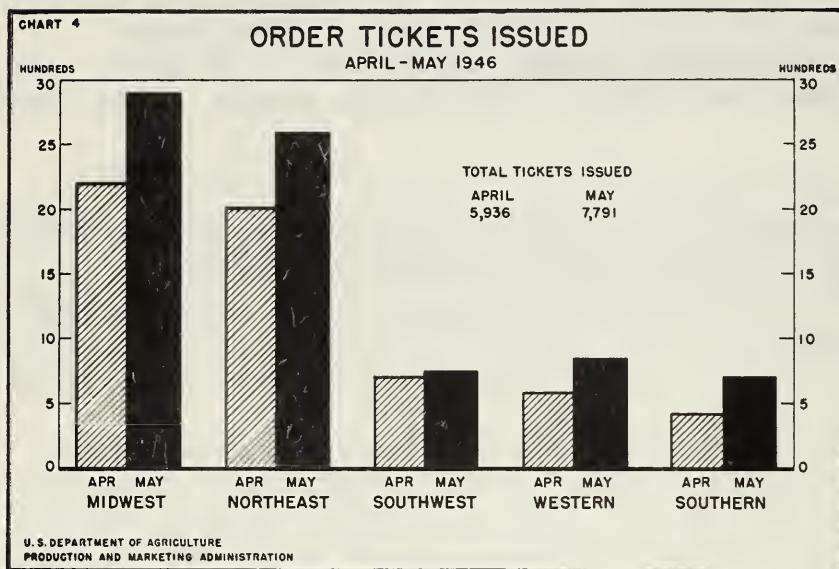


^{1/} Data supplied by Program Operations Division.

ORDERS TO SHIP (TICKETS)

Order tickets issued in May rose to 7,791 compared to 5,936 in April. The increase of 1,855 equaled 31 percent. All areas were above April in the number of tickets issued.

The Midwest continued to lead with 2,903. (See Chart 4.) The Northeast again stood second with 2,591. The West, with 847, moved to third in contrast to its April position of fourth. The Southwest, with 746, dropped from third to fourth. The South continued to issue the fewest orders of any area. For May it had 704.

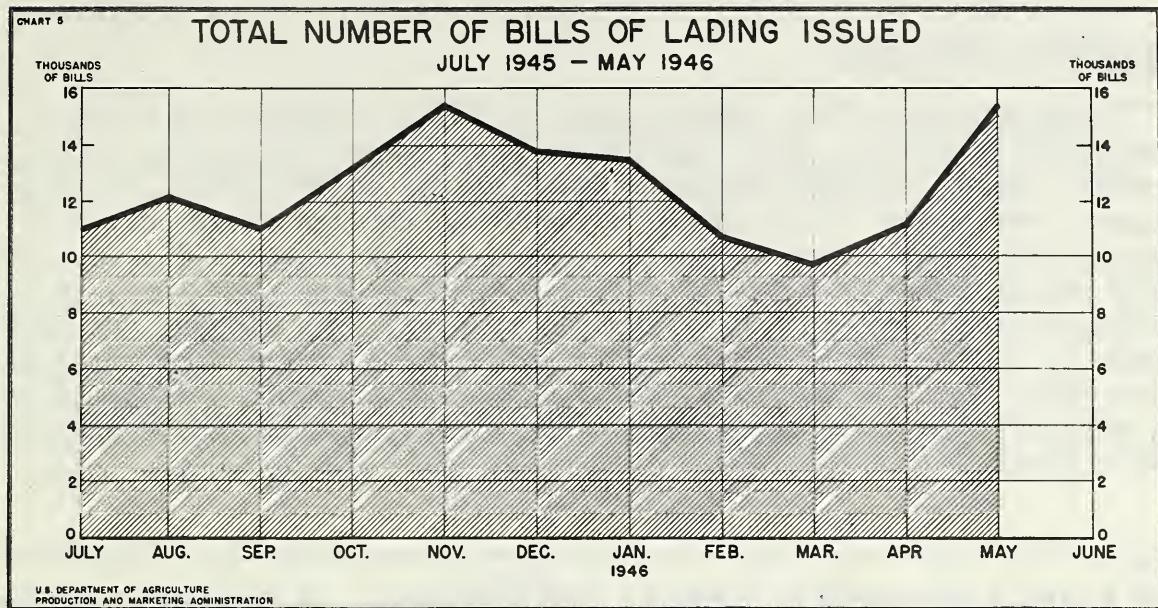


In percentage of tickets issued, the Midwest had the same as in April, 37 percent. The Northeast fell 1 percent, to 33 percent. The West rose to 11 percent from 10, and the South to 9 percent from 7 percent. The Southwest fell to 10 percent, a 2 percent drop.

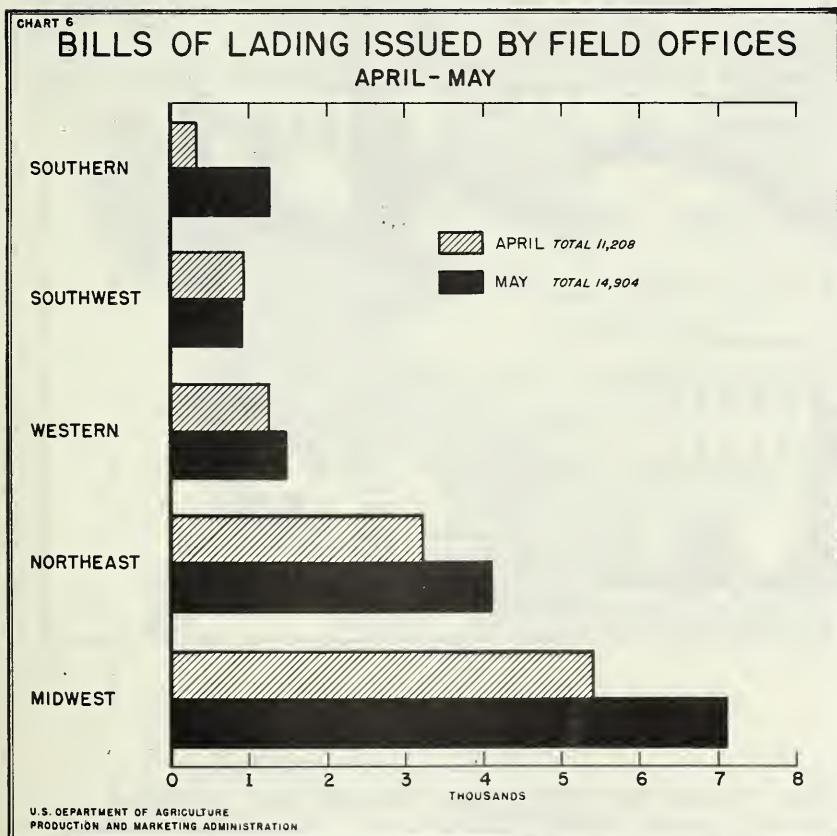
BILLS OF LADING

Bills of lading issued jumped sharply in May and established the highest figure of any month this year. May ladings totaled 14,904 an increase of 33 percent over the April figure of 11,200. (See Chart 5.) They stood 53 percent above the 9,755 March total.

All regions showed gains except the Southwest. As in April, the Midwest continued to lead. Its May issuances totaled 7,107 as against 5,401 the previous month. The Northeast again ranked second with 4,103 for May compared to 3,242 in April. The Western area rose from 1,267 in April to 1,482. The Southern area made the most pronounced gain, rising to 1,282 for the month, almost quadruple the April figure of 347. The Southwest fell slightly from 951 in April to 930 in May. (See Chart 6.)

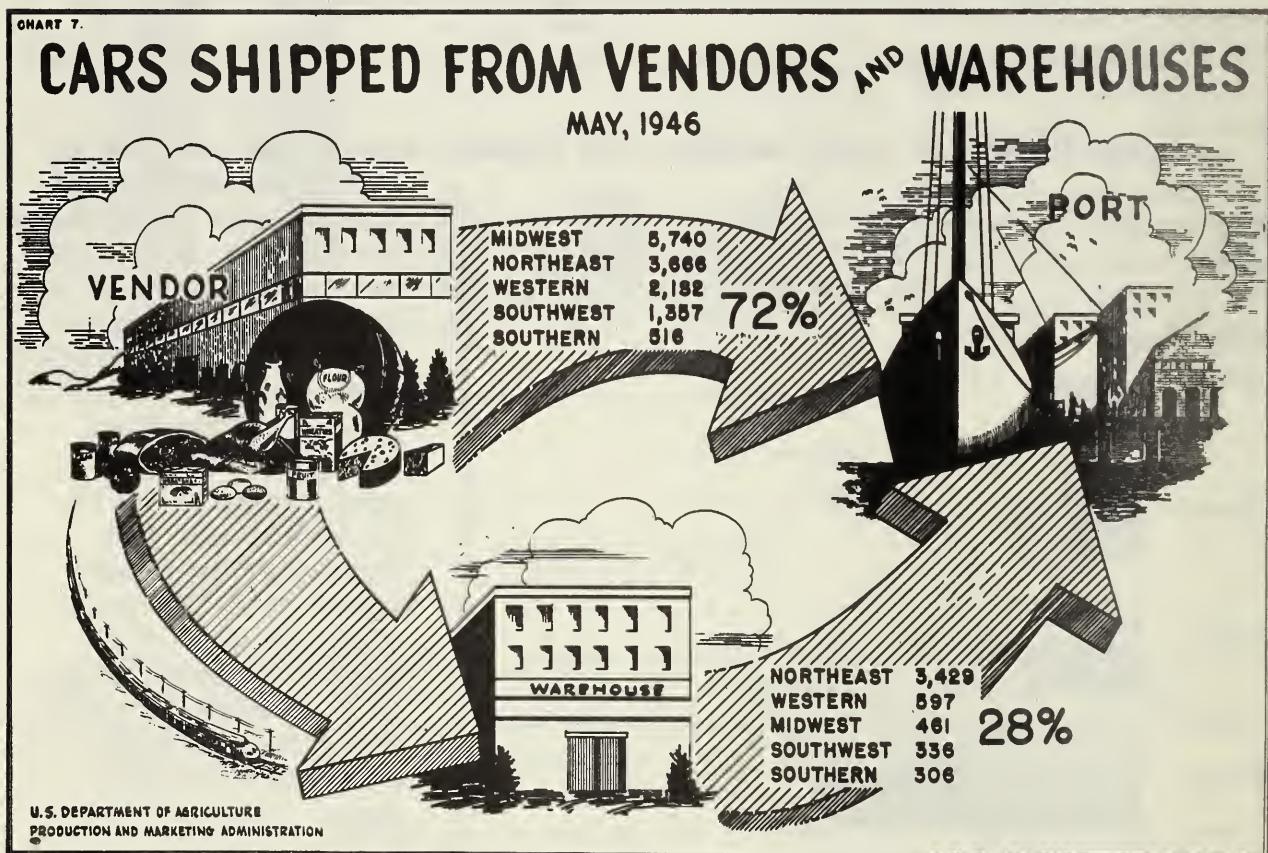


In percentage of total ladings, the Midwest issued the same as in April, or 48 percent. Three areas experienced percentage drops, offset by the gain in the other. From April's 29 percent, the Northeast declined to 27 percent. The West dropped to 10 percent compared to 11 in April, and the Southwest to 6 compared to 9 the previous month. The South, however, rose to 9 percent in contrast to its April standing of 3 percent.



COMMODITY MOVEMENTSShipments from Vendor

May shipments from vendors rose to 13,461 compared to 9,149 in April and 9,192 in March. This constituted a 47 percent gain over each of those months. With continued emphasis being placed on the making of shipments direct from vendor to shipside, rather than through intermediate warehouses, 72 out of every 100 cars shipped in May traveled direct. This result was achieved in spite of a 46 percent increase over April in total shipments from vendors and warehouses to port. The Midwest continued to lead all areas with 5,740 shipments which was 43 percent of the total. (See Chart 7.) The Northeast had 3,666 or 27 percent, the West 2,182 or 16 percent, the Southwest 1,357 or 10 percent, and the South 516 which was 4 percent.

Shipments from Warehouse

Shipments from warehouses likewise increased during May, rising to 5,129 or 45 percent above the April total of 3,547. Gains occurred in all areas except the Midwest, which dropped slightly. The Northeast made 3,429 shipments or 67 percent of the total. The Western area made 597, the Midwest 461, the Southwest 336, and the Southern area 306. (See Chart 7.)

The fact that the Northeast made two thirds of the shipments from warehouse compared to 9 percent made by the Midwest, while at the same time the Midwest led all areas in shipments direct from vendor, is indicative of the planning whereby commodities are now being stored closer to ports from which they are expected to be lifted than has been the case in the past. The Western area, which ranked third in vendor shipments, stood second in shipments from warehouses. The Southwest and Southern areas stood fourth and fifth respectively in both categories.

A total of 2,478 cars, a significant number of which contained frozen meat, were reconsigned during May. Of the reconsignments, 83 percent were within the Northeast, 11 percent in the West and 5 percent in the Midwest. The Southern and Southwest areas each had less than 1 percent. Factors necessitating reconsignment and diversion of cars, either from program to warehouse or from warehouse to program, included late ship and car arrivals, urgent program requirements, and shutouts.

ARRIVALS

Warehouses

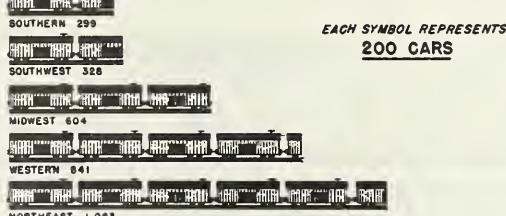
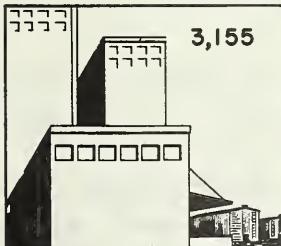
Car arrivals at warehouses during May increased 15 percent over the April figure. While in April they totaled 2,752, they reached 3,155 during the past month. (See Chart 8.) The biggest gain occurred in the West

CHART 8

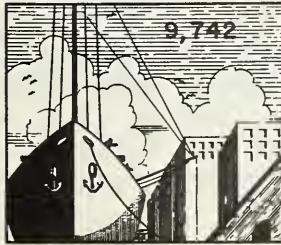
CARS UNLOADED AT WAREHOUSES AND ARRIVALS AT PORTS

MAY, 1946

UNLOADED AT WAREHOUSES



ARRIVALS AT PORTS



which rose from 17 percent of the total in April to 27 percent in May. The Northeast dropped from its April percentage of 43, to 34 percent for May but continued to lead all areas. The South and Midwest each gained 2 percent, rising to 10 and 19 respectively. The Southwest dropped from 15 percent in April to 10 in May.

Ports 1/

Cars arriving at ports in May declined 4.5 percent below April. However, large quantities of stocks were on hand in pier storage ready for lifting. The May total was 9,742 compared to 10,200 the previous month. The Northeast dropped from 6,032 in April to 4,701 in May. Although it continued to receive more cars than any other area, its proportion of the total dropped to 48 percent compared to 59 percent in April. (See Chart 8.) More cars, a total of 3,118, rolled into New York than into any other port. Baltimore, however, had 1,053, Philadelphia 311, and Boston 219.

The Southwest likewise declined. Its total fell from 916 in April to 780 in May. New Orleans had 443 cars and Houston 2/337. The Southern and Western areas showed gains. The South rose from 2,561 up to 3,214, and the West from 691 up to 1,047, increases of 25 and 52 percent respectively. In the South, Norfolk led with 2,471 cars followed by Mobile with 505. In the West, San Francisco had 500 and Portland 453.

On May 31 a total of 1,588 cars were reported en route to ports. Of these, 551 were heading for the Northeast, 612 for the South, 322 for the Southwest, and 103 for the West.

Arrivals Other Than PMA

In addition to PMA arrivals, the Branch handled at warehouses and ports 2,430 cars not covered by PMA bills of lading. The West had 817, the Southwest 707, the South 623, and the Northeast 283. The Midwest had none.

LIFTINGS 3/

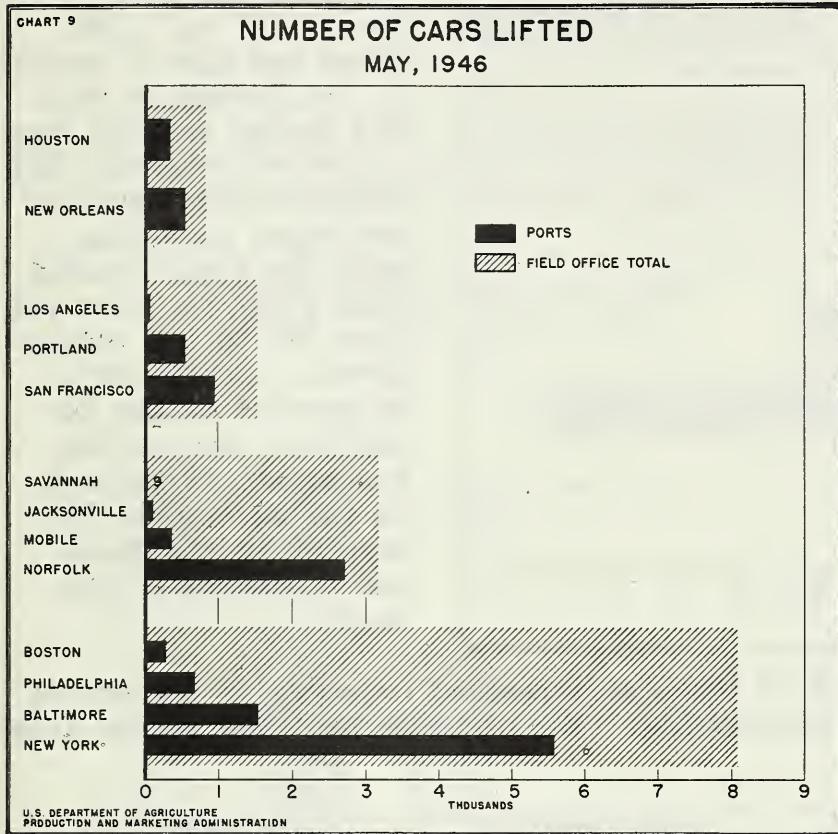
The number of cars lifted at ports increased from 12,210 in April to 13,621 during May, a gain of 11.6 percent. The May total also exceeded the March level of 13,258 and the January sum of 11,069. The Northeast handled 8,098 cars in May and 7,890 in April, the South 3,158 and 2,776, and the West 1,525 compared with 381. The Southwest experienced a decline from 1,163 during April to 840 for May. The New York port led with 5,596 cars followed by Norfolk with 2,728, Baltimore 1,535,

1/ No ports in the Midwest.

2/ Includes Galveston, Beaumont and Lake Charles.

3/ Does not include liftings of Basic Commodities.

San Francisco 954, Philadelphia 693, New Orleans 533, Portland 532, Mobile 343, Houston 307, and Boston 274. Jacksonville reported 78, Los Angeles 39, and Savannah 9. (See Chart 9.)



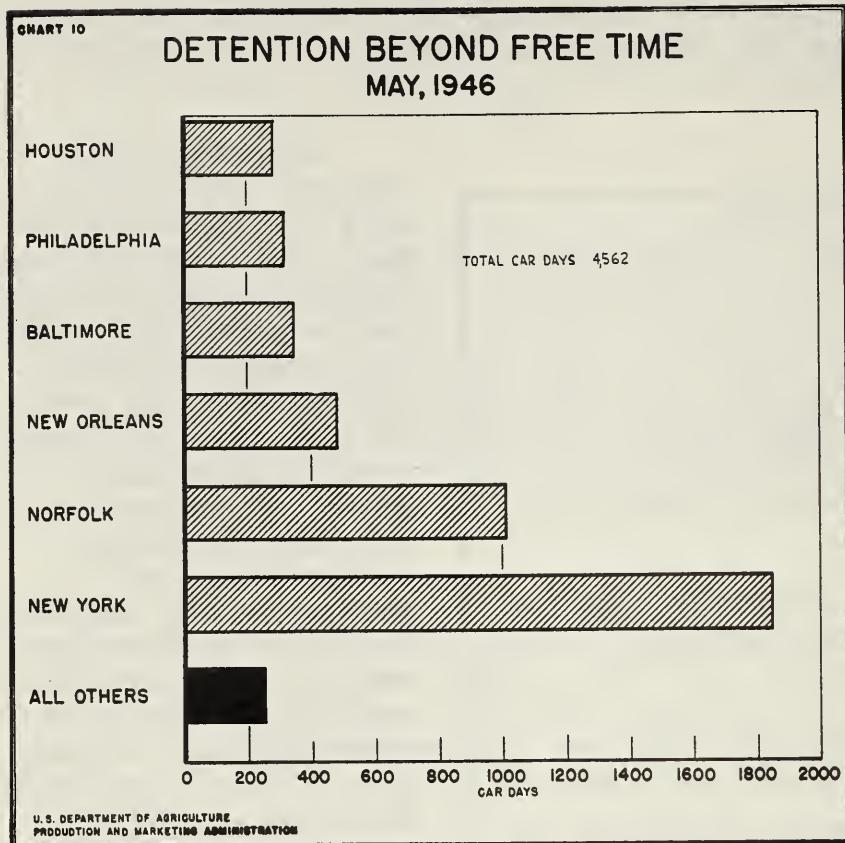
Additional commodities were on hand at ports at the end of May. The Field Offices reported they had 1,540 cars on track and 1,867 cars on pier storage. Approximately 31 percent of these cars were spotted at Northeast ports, 30 percent in the West, 25 percent in the South, and 14 percent in the Southwest. In addition, therefore, to the 13,621 cars of commodities which had been delivered to program during the month, there were 3,407 car-loads of commodities, totaling about 85,175 long tons, awaiting to be taken aboard ships. Sixty vessels were in the process of taking on cargo on May 31, 1946.

CAR DETENTION (BEYOND FREE TIME)

Detentions amounted to 1,195 cars during May in contrast to 1,268 cars in April. Four hundred and sixty-seven of the May total represented reefers; 728 represented box cars. New York led all other ports with 503, of which 373 were reefers. Norfolk reported 135, Baltimore and Philadelphia 128 each, and Houston 110. Sixty-three cars were detained at Buffalo, 44 at New Orleans, 36 at San Francisco, 20 at Los Angeles, 19 at Portland, 8 at Mobile, 1 at Boston, and none at Jacksonville or Savannah.

Eleven days was the average detention time at New Orleans. Norfolk averaged 7.5 days, Portland 4, New York 3.68, Los Angeles and Boston 3, Baltimore 2.8, Houston 2.57, Philadelphia 2.5, Buffalo 1.25, and San Francisco 1.1. In terms of car days, New York led with 1,851 followed by Norfolk with 1,012, New Orleans 484, Baltimore 358, Philadelphia 320, and Houston 283. The total for all other offices was 257. (See Chart 10.)

The Field Offices 1/ handled 918 more cars in May than in April, yet



the number of detentions decreased from 1,268 to 1,195. The Northeast still continued to handle the bulk of all cars although the total fell from 7,437 to 7,076. There was also a decline in the Southwest with the number falling from 1,158 to 929 cars. The South and the West experienced increases with the totals rising from 2,627 to 3,560 and from 393 to 968 respectively. During May, 69 percent of the detentions were in the Northeast, 13 percent in the Southwest, 12 percent in the South, and 6 percent in the West.

Detentions as a percent of total cars handled exceeded 25 percent at Los Angeles, Houston, and Philadelphia. The other percentages ranged from

	Cars Handled in May	Cars Detained Beyond Free Time	Detention as % of Handlings
New York	3881	503	12.9
Norfolk 2/	2728	135	4.9
Baltimore	1238	128	10.3
Buffalo	1237	63	5.1
Mobile	547	8	1.5
New Orleans	525	44	8.4
Philadelphia	489	128	26.2
San Francisco	475	36	7.6
Portland	432	19	4.4
Houston 3/	404	110	27.2
Boston	231	1	0.4
Jacksonville	201	0	0.0
Savannah	84	0	0.0
Los Angeles	61	20	32.8
Total	12,533	1,195	9.5

1/ No ports in Midwest.

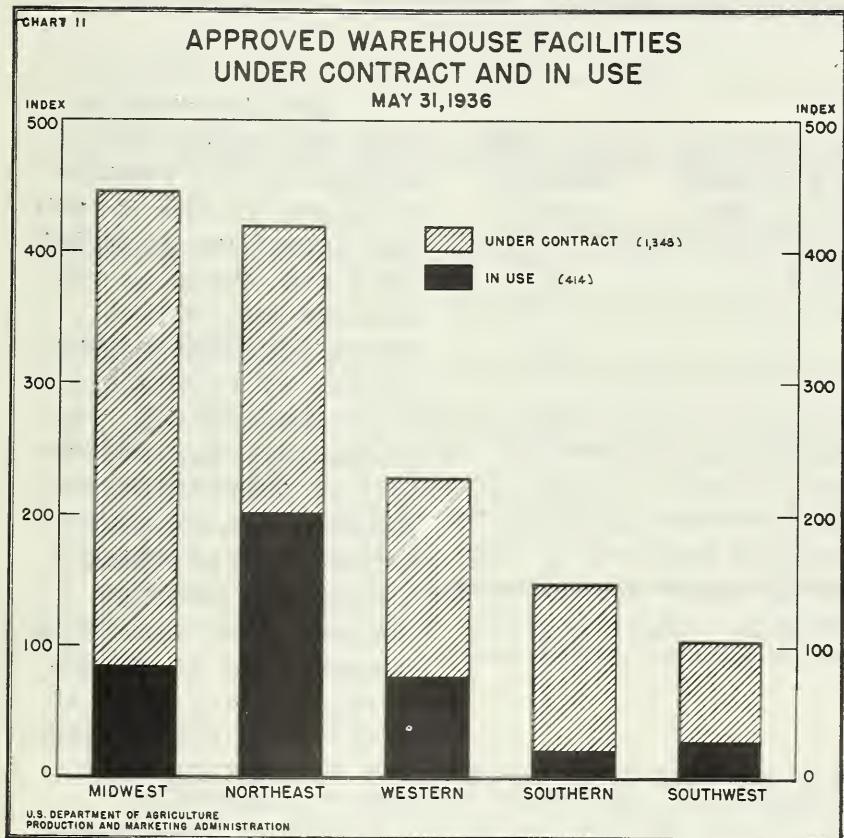
2/ Includes Newport News.

3/ Includes Galveston and Beaumont.

a low of 0.4 at Boston to a high of 12.9 at New York. New York, which handled about 31 percent of all cars, detained only about 13 percent of them while Los Angeles, which handled less than one percent of the cars, had detentions amounting to about 35 percent. (See Table Page 10.)

WAREHOUSE FACILITIES

At the end of May, 907 approved warehouse contracts were in effect. Thirty-eight percent of these were in force in the Midwest area, 33 percent in the Northeast, 12 percent in the West, 9 percent in the Southwest, and 8 percent in the South.



The 907 contracts in force covered 1,348 approved warehouse facilities suitable for the storage of PMA commodities. The Midwest had 446 facilities, the Northeast 420, the West 229, the South 148, and the Southwest 105. (See Chart 11.) Approximately 31 percent or 414 of the approved facilities were being utilized at the end of May. The Northeast led all other areas with 201 and was followed by the Midwest with 85, the Western 77, Southwest 29 and Southern 22. Forty-eight percent of those facilities located in the Northeast were in use on May 31.

The utilization in the other areas ranged from a low of 15 percent in the South to a high of 34 percent in the West.

Additional leased storage facilities are in the process of being closed. The Buffalo Federal Depot #1 was closed during April and Pier D at Weehawken, New Jersey was given up on May 31. During June two other facilities - the Newark Tidewater Terminal and the Sacramento Seed Warehouse - will be officially closed. Because of local decreases in shipping and storage activities at Jacksonville and Buffalo, the sub-offices at these locations will be abolished during June.

INSPECTION AND MAINTENANCEWarehouse Inspection

PMA operating procedure 127.10, went into effect May 1, 1946 between the Shipping and Storage Branch and the Marketing Facilities Branch.

The instruction assigns responsibility and prescribes the procedure, with respect to commodities under the jurisdiction of the Shipping and Storage Branch, for the determination of suitability of warehouses and warehouse facilities for storing Government-owned commodities, for the periodic inspection of warehouses, warehouse facilities, and commodities stored therein, and for remedying warehousing conditions disclosed by warehouse inspection.

AREA	Whse Exam. Reports Rec'd	Whses Removed from Approved List by MFB	Orig. Exam. Reports Rec'd
Northeast	90	7	1
	8		
Midwest	83	2	0
Southern	14	3	1
Southwest	27	0	1
Western	12	0	1
Total	226	12	4

The instruction does not alter the authority and responsibility of S&S Branch for inventory management and shipping and storage activities, which includes supervision of reconditioning, recoopering, repackaging, and repacking of commodities; destruction of condemned stores; denaturing of inedible commodities; examining commodities to obtain supplementary data to facilitate disposition;

checking, investigating, and reporting upon claims; and conducting pier inspections.

A total of 226 subsequent examination reports and 4 original examination reports were received from the Marketing Facilities Branch during May. (See table.) The Marketing Facilities Branch removed 12 warehouses from the list of approved warehouses.

Inspection Requests and Reports

Forty-five requests for inspection were made to the Commodity Branches during May compared to 34 in April. (See table p.13) Of the May requests, 34 originated in the Field Offices and 5 in the Washington Offices. The remaining six were referred to the Field by Washington. Inspection reports totaled 30 in May as against 47 in April. The Field Offices received 17 during the month and the Washington Offices 5. The Field Offices also referred eight others to Washington. At the end of May there were 15 inspection

reports outstanding compared to 17 at the end of April.

Field Offices	Inspection			Inspection Reports					Total	
	Originated		Ref.to	Received		Ref.to		Wash. by F.O.		
	F.O.	Wash.	F.O. by Wash.	Total	F.O.	Wash.				
Northeast	14	2	5	21	5	2	7		14	
Midwest	2	0	1	3	4	0	1		5	
Southern	1	1	0	2	1	2	0		3	
Southwest	12	0	0	12	5	1	0		6	
Western	5	2	0	7	2	0	0		2	
Total	34	5	6	45	17	5	8		30	

Sales Referrals

The Washington Office made only 5 referrals for sale to the Commodity Branches during the month compared to 12 in April and 20 in March. The use on program of scarce or vitally needed commodities in good condition, regardless of quantity or location, is partially responsible for the drop. Sales have been made in two of the five May referrals, but the abstracts of sale have not yet been received. Four April and one March referral remain unsold, making a total of eight referrals still unsold at the end of May.

Part Lots

Information obtained since May 1 through warehousemen's inventory reports and subsequent examination reports indicates that the number of part and disposition lots brought to the Division's attention has increased from 1,267 as of May 1 to 1,273 as of the end of the month. (See table p. 14.) Definite action has been taken on 1,093 lots. Of these, 443 have been sold, 457 have been ordered to program, and 193 have been donated or destroyed or are being handled by claims. On the balance of 180 lots, 137 are awaiting sale, 33 have been referred for inspection, and 10 are being reconditioned. More than half of the part lots, 717, were in the Northeast area. The Midwest had 343, the Western area 136, the Southwest 51, and the Southern area 26.

Status of Part and Disposition Lots

<u>Area</u>	<u>Sold</u>	<u>Ordered to Program</u>	<u>Misc. Disposition</u>	<u>Action Pending</u>	<u>Total</u>
Northeast	181	322	91	123	717
Midwest	185	80	49	29	343
Southern	6	8	7	5	26
Southwest	7	7	26	11	51
Western	<u>64</u>	<u>40</u>	<u>20</u>	<u>12</u>	<u>136</u>
Total	443	457	193	180	1273

Salvage

Through the Field Offices the Salvage Section sold 31 and donated 6 out-of-condition and / or odd lots during May. This was in contrast to 38 sales and 10 donations in April. The value of the commodities donated was less than \$50 an individual lot. All Field Offices except the Southern made sales. New York led with 19, San Francisco had 6, Chicago 4, and Dallas 2. New York made five of the donations and Memphis one. During the month the Field Offices referred for sale or donation 43 lots valued at less than \$300 a lot and items classified as salvage. Sales negotiations are being conducted for the disposal of three lots, and four lots have been referred to the Food Distribution Programs Branch for selection of donee.

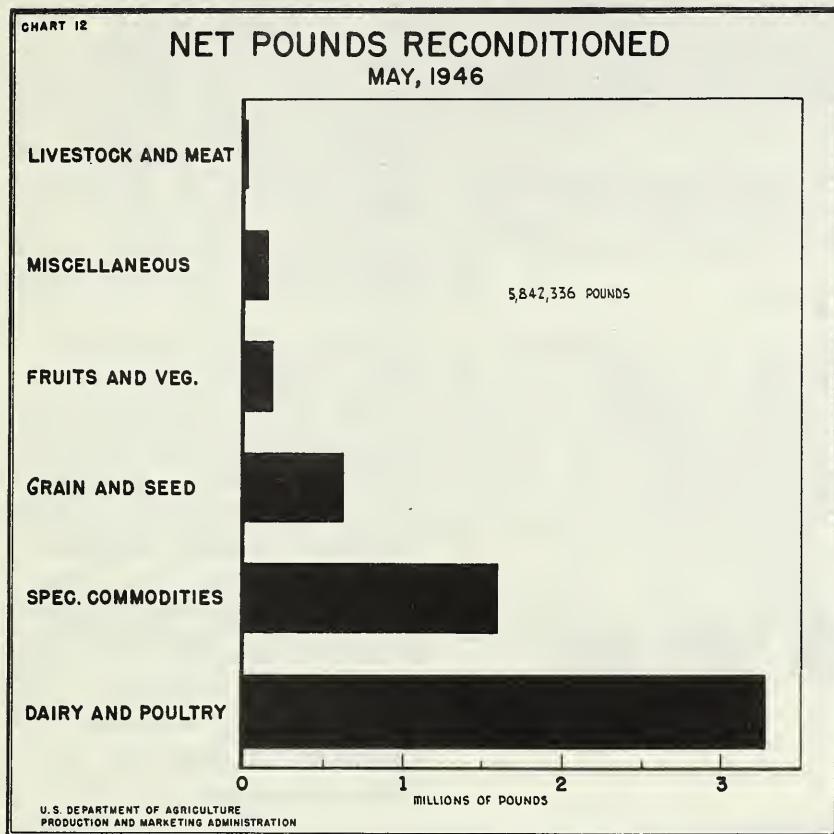
Reconditioning and Recoopering

According to reports from the Field Offices, commodities reconditioned and recoopered during May aggregated 5.8 million pounds. (See Chart 12.) This was a 31 percent decrease below the 8.4 million pounds handled in April. Increased shipments direct from vendor to shipside and the consequent reductions in storage, rehandling and danger of food spoilage are largely responsible for this drop. The Northeast with 3 million pounds and the Midwest with 2.4 million topped all other areas. Commodities handled in the Southwest totaled 179 thousand pounds, in the South 104 thousand, and in the West 95 thousand.

The Southwest dropped 3.4 million pounds, the Northeast 750 thousand, and the South 3 thousand. The Midwest was 1.4 million pounds above April and the West 60 thousand.

By commodities a number of marked changes occurred. The greatest drops occurred in grain, fruit and vegetables, and special commodities. Grain fell 1.9 million pounds, fruit and vegetables 1.6 million, and special commodities 1.1 million. Livestock and meat declined 205 thousand pounds, and Army Surplus 185 thousand. There was a rise of

2.2 million in dairy and poultry products, and 151 thousand in Red Cross commodities.

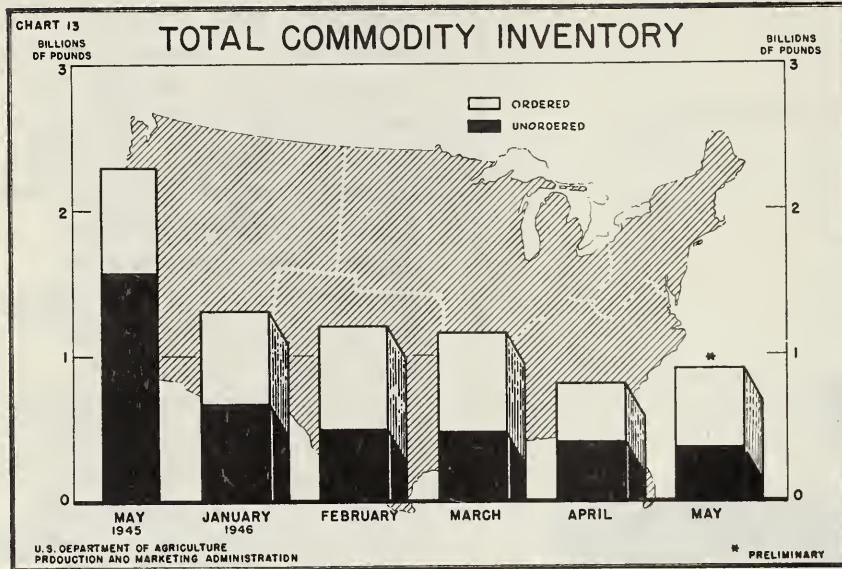


Several outstanding jobs were performed during the month. In the Northeast the operations concerned principally dairy and poultry products and special commodities. Strapping was required for cheese and evaporated milk coming from the Army. In the Midwest major operations involved Army cheese, dried peas and beans, powdered milk, and Red Cross chocolate bars. The South fumigated almost 5 million pounds of grain products and the Southwest 1 million. Likewise, in the South the segregation of canned white potatoes saved good stock. In the Western area little reconditioning work was necessary.

COMMODITY INVENTORY 1/

An intensive drive to fulfill commitments in May resulted in 972 million pounds of commodities being ordered to programs. Total commodity inventory, which had reached a low level of 840 million pounds at the end of April, increased to 913 ^{2/} million on May 31. The May

total, however, was considerably smaller than the March sum of 1,185 million and February's 1,222 million pounds. (See Chart 13.) It was also less than the January total of 1,336 million pounds. The inventory of 913 million pounds on May 31, 1946 was also 1,382 million pounds smaller than that for the same period a year earlier, a net decrease of approximately 60 percent. The net decline between January 31 and May 31, 1946 amounted to 423



million pounds or about 32 percent.

Ordered inventory increased during the month. This part of the total, which represents supplies moving to programs as well as commodities referred for sale and other non-program use, totaled 535 million pounds. This was 114 million pounds or 27 percent above April 1946. It was, however, 296 million or 36 percent below May 1945.

The unordered commodity inventory, which consists of stock available for shipment to program for which shipping instructions have not been issued, dropped during May. The May total declined to 378 million pounds, which was 41 million less than April, 108 million less than March, 142 million less than February, and 297 million smaller than January. It was a decline of 1,086 million pounds and 74 percent below May 1945. It should be noted that these unordered figures are based on orders to ship rather than commitments.

Significant changes have occurred in the ratio of ordered to unordered commodity inventory. Where in early 1945 more than 60 percent of all inventory was unordered, it has during 1946 decreased to about 50 percent or

1/ Basic commodities - wheat, oats, rye, barley, corn and cotton - are excluded from the totals reported.

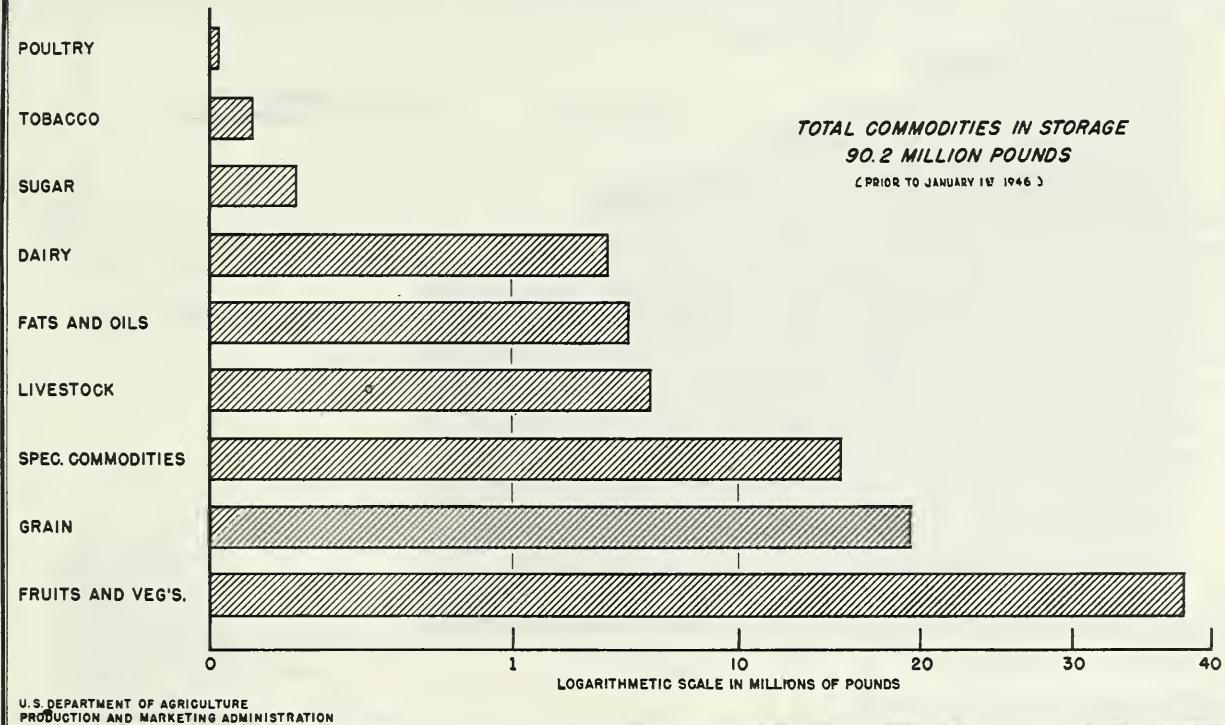
2/ Data for May 1946 is preliminary and is subject to later revisions.

less. This year it totaled 51 percent in January, 42 percent in February, 41 in March, and 49 in April. May 1946 was 41 percent compared with 63 percent a year earlier.

The decline during May of 41 million pounds in unordered inventory despite an increase of 73 million pounds in total stocks reflects the results of this Branch's efforts to move commodities to programs as rapidly as transportation facilities permit. It also carries out the policy of a minimum of stock with a maximum of movement from vendor to port. At the same time, the reduction is an indication that reserve stocks are dropping to a level where it is becoming increasingly difficult to meet full shipping commitments on short notice.

Total CCC-owned stocks acquired prior to January 1, 1946, which include commodities for which no disposition has been arranged as well as those stocks which are ordered to program but not shipped as of May 31, 1946, amounted to approximately 90.2 million pounds. About 37 million pounds of the total represented fruits and vegetables. Some 19 million was grain products and about 15 million special commodities. Livestock

CHART 14 COMMODITIES IN STORAGE PRIOR TO JANUARY 1st 1946
BY BRANCHES



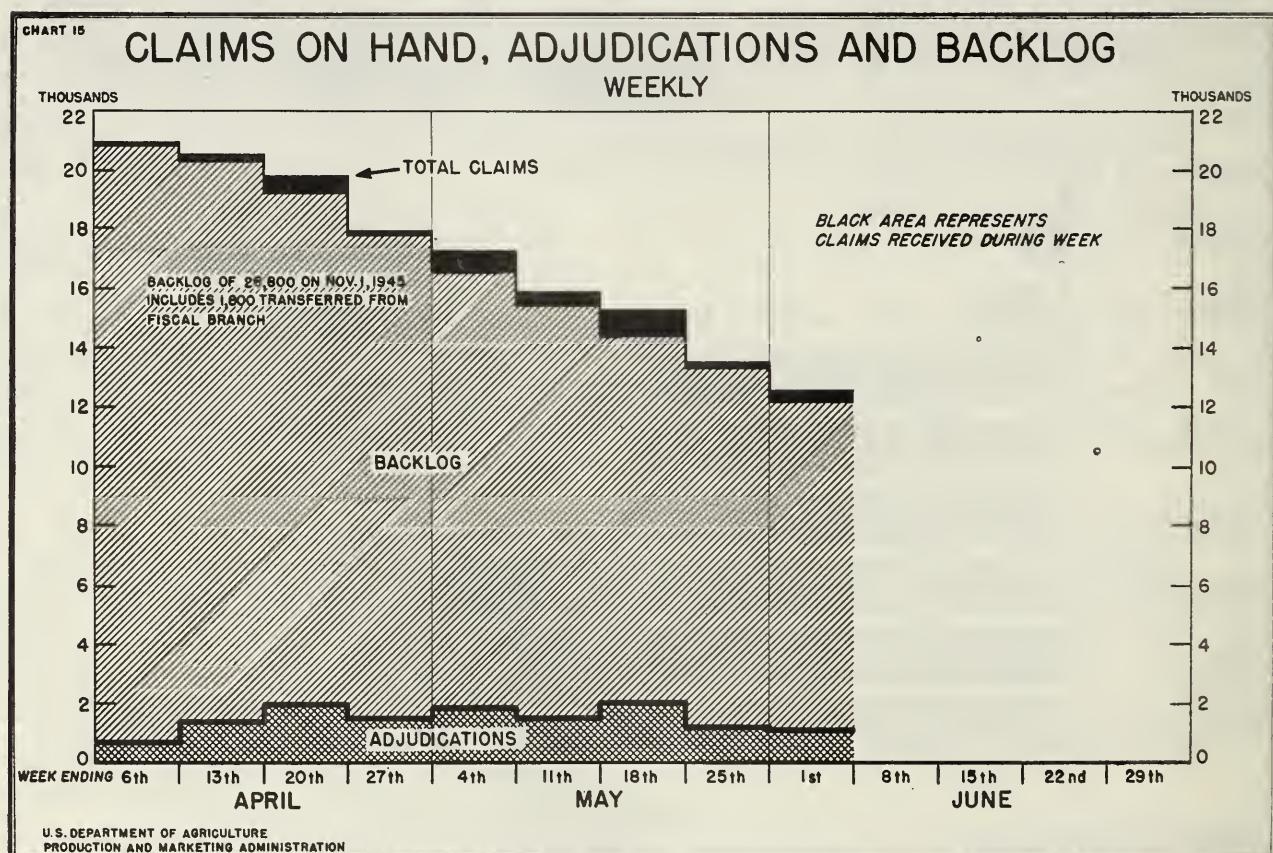
products totaled 7 million, fats and oils 6 million and dairy products 5 million. The balance was divided among sugar, tobacco and poultry. (See Chart 14.) Definite comparisons cannot be drawn between the figure of 90.2 million and the 17.5 million pounds on hand as of April 30. The period for classing an item as over-age has been changed from July 1, 1945

to January 1, 1946, effective with this month's report. Of those commodities placed in storage prior to July 1, 1945, a preliminary estimate shows that 11.6 million pounds still remain.

There is, of necessity, a lag between the time the commodities are shipped or earmarked for shipment and the date on which the actual documentary records are processed by the Inventory Accounting Division. Effective with the month of June, a procedure has been installed whereby documentation received by Inventory Accounting Division is expedited, which is expected to result in a material reduction in this time lag.

CLAIMS

The backlog of claims on hand May 31 totaled only 11,435. This compared to 16,501 on April 27 and 20,748 on April 1. The decrease of 9,313 in the two months almost equals the number now remaining on hand. In the period from April 27 to May 31 there was a net reduction of 5,066 claims,



a drop of 31 percent. The net reduction between April 1 and April 27 totaled 4,247 claims or 20 percent. Total claims adjudicated in May amounted to 7,877. (See Chart 15.) The net reduction fails to equal total adjudications because during the month 2,811 new claims were added to the number on hand.

Of the 2,811 new claims in May, 2,164 were set up from carriers' bills covering shipments made as far back as 1942. The carriers are making every effort to effect collection of all outstanding transportation charges. These carrier bills contain bills of lading which reveal loss or damage to commodities not previously reported. Because of the age of the bills, it is more difficult to adjudicate claims set up from them than claims arising from current shipments.

The high number of May adjudications resulted largely from increased personnel effectiveness brought about through the Claims Division training program. The use of training classes, staff meetings and office memoranda have proved very valuable in helping new employees meet the requirements of their work.

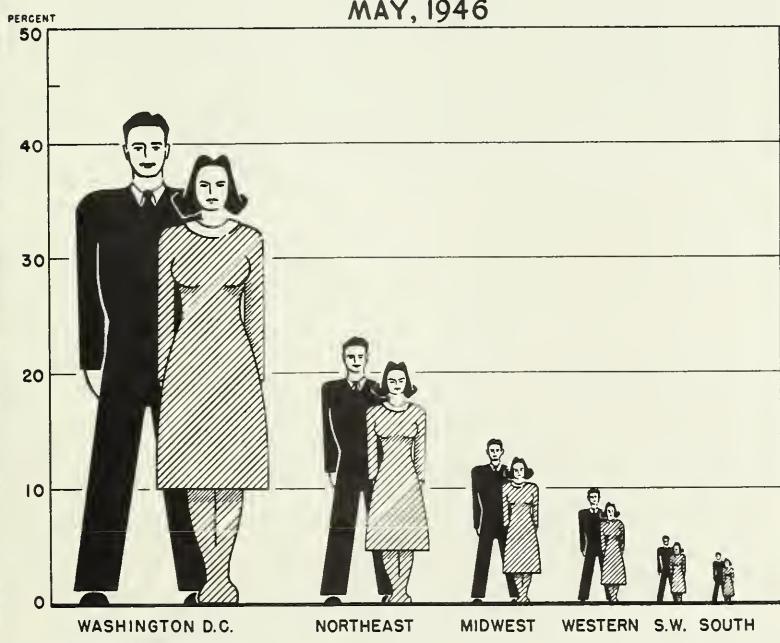
Collections were reported on 2,550 claims during May. The monetary value totaled \$143,003.84. The amounts ranged from a low of \$14,832.57 during the week of May 6-11, to a high of \$51,565.31 for the last week of the month.

The Claims Section of the New York Field Office had 348 claims on hand at the beginning of May. During the month it received 582 new claims. It adjudicated and forwarded to Washington a total of 672, leaving a balance of 258 at the end of the month. For this office a working load of approximately 300 claims has proved to be a good basis for operations.

PERSONNEL

PERSONNEL -- SHIPPING AND STORAGE BRANCH

MAY, 1946



The number of personnel in the Shipping and Storage Branch totaled 1,368 on May 31, 1946. This included Inventory Accounting Division employees in Washington and those at the Natural Cooler Storage facility in the Midwest area. The Washington offices had about 43 percent of the total and the remaining 57 percent was divided among the several Field Offices. The Northeast area led all Field Offices with 23 percent of the total employees. The Midwest ranked second with 14 percent, the West had 10 percent, the Southwest 6 percent, and the South 4 percent. (See Chart 16.)

Personnel in the Field Offices devoted an estimated 1,690 man-hours during the month to the handling of Basic Commodities for the various Commodity Branches. The performance of this duty was in addition to that necessary to discharge properly the functions of the Shipping and Storage Branch. The Southern and Southwest offices were most active in this connection. The former area devoted 1,078 hours, all but 90 of which went to Cotton activities, and the Southwest spent 482 man-hours. Eighty-five hours in the Northeast and 45 hours in the Western regions were consumed in executing these additional duties.

Additional time also was required to handle 2,430 car arrivals not covered by PMA bills of lading. The majority of these were within the Southern, Southwest, and Western areas.

EMBARGOES AND STRIKES IN EFFECT DURING MAY

1. Embargo 703, box and refrigerator cars to New York, November 21 to present.
2. Embargo 129, export freight to Houston, Galveston and Texas City, March 6 to present.
3. Embargo 170, export freight to USDA, BMWT and UNRRA at Baltimore, March 25 to present.
4. Embargo 197, superseding embargo 170, export freight to Philadelphia, March 25 to present.
5. Portland supercargo and checker's strike, April 29 to May 8.
6. Soft coal miner's strike, April 29 to May 10.
7. Railway strike, May 23 to May 25.

MISCELLANEOUS WORK MEASUREMENTS

	Each Field Office as Percent of F.O. Total				
	NE	MW	SO	SW	W
Order Tickets	33%	37%	9%	10%	11%
Bills of Lading	27	48	9	6	10
Shipments from Vendors	27	43	4	10	16
Shipments from Warehouses	67	9	6	6	12
Arrivals at Warehouses	34	19	10	10	27
Arrivals at Ports	48	0	33	8	11
Liftings at Ports	60	0	23	6	11
Warehouse Facilities in Use	48	21	5	7	19
Average	43	22 1/	12	8	15
Personnel	45	20	8	11	16

1/ Note that this Field Office handles no port operations.

